

ORDINANCE NO. 3786

AN ORDINANCE DIRECTING THE USE OF CORONAVIRUS RELIEF MONIES IDENTIFIED BY THE STRENGTHENING PEOPLE AND REVITALIZING KANSAS (SPARK) TASKFORCE AND DISTRIBUTED THROUGH MIAMI COUNTY, KANSAS FOR THE PURPOSES OF REIMBURSING THE CITY OF OSAWATOMIE FOR COVID-19 COSTS.

WHEREAS, securing the health, safety, and economic well-being of our residents is CITY OF OSAWATOMIE'S top priority;

WHEREAS, CITY OF OSAWATOMIE is facing both a public health and economic crisis – the pandemic and public health emergency of COVID-19 – which has resulted in illness, quarantines, school closures, and temporary closure of businesses resulting in lost wages and financial hardship to Kansas citizens;

WHEREAS, the World Health Organization declared a pandemic on March 11, 2020;

WHEREAS, on March 13, 2020, the President of the United States pursuant to Sections 201 and 301 of the National Emergencies Act, 50 U.S.C. § 1601, et seq. and consistent with Section 1135 of the Social Security Act, as amended (42 U.S.C. § 1320b-5), declared a national emergency that the COVID-19 outbreak in the United States constitutes a national emergency beginning March 1, 2020;

WHEREAS, as of this date, in MIAMI COUNTY there have been 122 cases reported positive cases of COVID-19, and 0 deaths, with a likely second wave of COVID-19 cases expected in the Fall;

WHEREAS, CITY OF OSAWATOMIE must remain flexible to account for the evolving nature and scope of the unprecedented public health emergency posed by COVID-19, while also simultaneously beginning the process of safely, strategically, and incrementally reopening business and facilitating economic recovery and revitalization;

WHEREAS, for the aforementioned and other reasons, and in recognition and furtherance of our responsibility to provide for and ensure the health, safety, security, and welfare of the people of CITY OF OSAWATOMIE, CITY OF OSAWATOMIE has determined that the evolving public health and economic threats posed by COVID-19 require a proactive approach to provide immediate financial relief and long-term economic investment to communities within CITY OF OSAWATOMIE;

WHEREAS, in these challenging times, CITY OF OSAWATOMIE will do whatever it can to avoid immediate dangers to the health, safety, and welfare of our constituents and prepare for future waves of COVID-19;

WHEREAS, on June 16, 2020 the State Finance Council approved the Strengthening People and Revitalizing Kansas (SPARK) Taskforce’s proposal to distribute \$6,894,296 to MIAMI COUNTY help address the health and economic challenges inflicted by COVID-19 based on MIAMI COUNTY’S population and impact from COVID-19 with funds provided for reimbursement of COVID-19 related costs and as direct aid unless otherwise approved by the SPARK Taskforce.

WHEREAS, to ensure that all educational and municipal entities with counties receive Coronavirus Relief Funds to meet their respective health and economic challenges, the SPARK Taskforce Executive Committee passed a motion on June 2, 2010, to direct counties to allocate and share Coronavirus Relief Funds with public educational and municipal entities with their counties.

WHEREAS, MIAMI COUNTY adopted a Resolution to accept and distribute funds to cities within MIAMI COUNTY, KANSAS.

Be it resolved that, pursuant to the authority vested in the OSAWATOMIE CITY COUNCIL, including the authority granted to this body by constitutional home rule in order to begin the process of safely, strategically, and proactively the resources the city needs to both mitigate the spread of COVID-19 and invest in long-term economic recovery, the OSAWATOMIE CITY COUNCIL accepts any funds appropriated to CITY OF OSAWATOMIE by the State of Kansas through the State’s Coronavirus Relief Fund and distributed by MIAMI COUNTY pursuant to the following terms designed to ensure the lawful use of funds and transparency, equity, and accountability:

SECTION 1:

1. Section 5001 of the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, as codified in 42 U.S.C. § 801, provides the eligible purposes for which Coronavirus Relief Fund (“CRF”) payments may be used. Under 42 U.S.C. § 801(d) funds may be used for:
 - a. necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19);
 - b. not accounted for in the budget most recently approved for the city as of March 27, 2020; and
 - c. incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.
2. The following are examples of public health expenditures allowed pursuant to paragraph 1.a. above and 42 U.S.C. § 801(d):
 - COVID-19 related expenses of public hospitals or clinics
 - COVID-19 testing and quarantine costs

- Payroll of employees substantially dedicated to COVID-19 mitigation or response
 - Expenses for establishing and operating public telemedicine capabilities
 - Technological improvements to facilitate distance learning
 - Improving telework capabilities
 - Grants to small businesses to reimburse the costs of business interruption caused by required closures
 - Government payroll support program
 - Unemployment insurance costs related to COVID-19
3. The following are examples of public health expenditures NOT allowed pursuant to paragraph 1.a. above and 42 U.S.C. § 801(d):
- Damages covered by insurance
 - Payroll or benefits for employees not substantially dedicated to mitigating or responding to COVID-19
 - Expenses that will be reimbursed under any federal program
 - Reimbursement to donors for donating items or services
 - Workforce bonuses other than hazard pay or overtime
 - Severance pay
 - Legal settlements
4. Additionally, as outlined in guidance issued by the Congressional Research Service on April 14, 2020, “Coronavirus Relief Fund payments may not be used to directly account for revenue shortfalls related to the COVID-19 outbreak. Such funds, however, may indirectly assist with revenue shortfalls in cases where expenses paid for by the Coronavirus Relief Fund would otherwise widen the gap between government outlays and receipts.”
5. To ensure the effective and timely oversight of local and state spending, CITY OF OSAWATOMIE will comply with reporting requirements established by MIAMI COUNTY.
6. To ensure transparency and accountability in the deliberation, expenditure, and oversight processes associated with CRF funds, CITY OF OSAWATOMIE, will comply with all requirements of the Kansas Open Meetings Act.

7. The COVID-19 pandemic has disproportionately impacted racial minorities within the State of Kansas, illustrating long-standing health disparities for African-American, Latino, and other racial minority populations in the United States. Accordingly, CITY OF OSAWATOMIE will consider and incorporate efforts to address such disproportionate impacts on racial minorities in its direct aid plan.
8. As provided in 42 U.S.C. § 801(f), the Inspector General of the Department of the Treasury determines whether CRF payments have been used for eligible purposes. Fund payments that are deemed to have been used for ineligible purposes are treated as a debt owed by the implementing government to Treasury. This resolution signifies that, upon approval, CITY OF OSAWATOMIE agrees to cooperate with any audits or inquiries by the Department of the Treasury concerning CRF funds and agrees to pay any debt incurred to the Department of the Treasury due to ineligible expenditures of appropriated CRF funds.
9. CITY OF OSAWATOMIE understands that the United States Department of the Treasury or the Governor's Office of Recovery may issue guidance regarding the transfer, expenditure, reimbursement, or other use of CRF funds.
10. CITY OF OSAWATOMIE understands and agrees that any unspent funds must be returned to the State for recoupment. CITY OF OSAWATOMIE understands that MIAMI COUNTY must return all unspent funds no later than December 30, 2020, and will make any unspent funds available for return prior to December 30, 2020. All reconciliation documents submitted to SPARK Taskforce will be made publicly available by the Governor's Office of Recovery, including supporting documentation submitted by CITY OF OSAWATOMIE to MIAMI County.

SECTION 2: Effective. This ordinance shall be in full force and effect from and after its adoption and publication once in the official city newspaper by the following summary:

Ordinance No. 3786 Summary

On August 13, 2020, the City Council passed Ordinance No. 3786. The Ordinance directs the use of Coronavirus relief monies identified by the Strengthening people and revitalizing Kansas (SPARK) taskforce and distributed through Miami County, Kansas for the purposes of reimbursing the City of Osawatomie for COVID-19 Costs. A complete copy of the Ordinance can be found at www.osawatomieks.org or in the office of the City Clerk, 509 5th Street, this summary is certified by the City Attorney.

Introduced: August 13, 2020

Passed: August 13, 2020

L. Mark Govea, Mayor

[SEAL]

ATTEST:

Tammy Seamands, City Clerk

The publication summary set forth above is certified this 13th day of August, 2020.

Richard Wetzler, City Attorney